VZCZCXYZ0001 OO RUEHWEB

DE RUEHSO #0375 1821407
ZNR UUUUU ZZH
O 011407Z JUL 09
FM AMCONSUL SAO PAULO
TO RUEHC/SECSTATE WASHDC IMMEDIATE 9311
INFO RHEHNSC/NATIONAL SECURITY COUNCIL WASHDC IMMEDIATE
RUEHBR/AMEMBASSY BRASILIA PRIORITY 0465
RUEHRI/AMCONSUL RIO DE JANEIRO PRIORITY 9184

UNCLAS SAO PAULO 000375

SIPDIS

STATE INR/R/MR; IIP/R/MR; WHA/PD

DEPT PASS USTR

USDOC 4322/MAC/OLAC/JAFEE

E.O. 12958: N/A

TAGS: KMDR OPRC OIIP XM XR XF BR

SUBJECT: MEDIA REACTION: WESTERN HEMISPHERE: VENEZUELA, CHAVEZ'S

POLICIES; SAO PAULO

June 28, 2009

Title- Aggravation of the Venezuelan Crisis

Editorial in center-right O Estado de S. Paulo (6-28) notes:
"....Although Chavez's rhetoric remains the same and authorities do not hesitate in disguising significant economic indicatorsIt does not smooth out the gloomy Venezuelan reality nor diminish the difficulties in managing public current accounts.....There do not seem to be many doubts about the political effects of this scenario. On the external front, there should be some rapprochement with the U.S.....For Chavez, not only is it more difficult to antagonize the White House under President Barack Obama - who is also popular in Latin America - but it would also be nonsense to challenge the government of its main economic partner in the midst of the current crisis. On the domestic front, the trend is a hardening...."